JOHN McCAIN ARIZONA

CHAIRMAN, COMMITTEE ON ARMED SERVICES COMMITTEE ON HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS COMMITTEE ON INDIAN AFFAIRS

United States Senate

July 23, 2015

225 RUSSELL SENATE OFFICE BUILDING WASHINGTON, DC 20510-0303 (202) 224-2235

> 2201 EAST CAMELBACK ROAD SUITE 115 PHOENIX, AZ 85016 (602) 952-2410

122 NORTH CORTEZ STREET SUITE 108 PRESCOTT, AZ 86301 (928) 445-0833

407 WEST CONGRESS STREET SUITE 103 Tucson, AZ 85701 (520) 670-6334

TELEPHONE FOR HEARING IMPAIRED (602) 952-0170

The Honorable Gina McCarthy Administrator Environmental Protection Agency 1200 Pennsylvania Ave., NW 1101A Washington, DC 20460

Dear Administrator McCarthy:

I'm writing concerning the Environmental Protection Agency's (EPA) Clean Water Rule that was signed on May 27, 2015. As you know, I've written you before opposing the rule and I've cosponsored several bills in the Senate to block it because of the damage it will inflict on job creation and economic recovery in Arizona.

The Clean Water Rule will extend Clean Water Act jurisdiction to roughly 60-percent of all "waters of the United States," effectively allowing EPA to regulate small streams like it currently does large rivers. But the rule can also apply to ephemeral streams, irrigation ditches, stock ponds, and even dry desert washes that are common in Arizona. As such, the rule disproportionately impacts Arizona farmers, cattlemen, developers and other key sectors of Arizona's economy historically and moving forward into the 21st century. Please bear in mind that agriculture makes up about 30-percent of the economy in my home state, and that construction jobs account for roughly 13-percent of new jobs created in Arizona during the economic recovery.

In recent years, the EPA has, unfortunately, succeeded in building a track record of unilaterally reinventing federal statutes, like the Clean Air Act and Clean Water Act, to advance politically-sensational regulations. What follows is not genuine environmental protection, which is vitally important, but a stigmatization of EPA and its restrictive regulations, which are criticized and then litigated for their blatant disregard for their economic harmfulness. This pattern recently forced the hand of the Supreme Court in Michigan et al. v Environmental Protection Agency, in which it rejected EPA's new rule on mercury and air toxic Standards because the agency had not justified the economic cost-benefit of the rule.

Against this backdrop, I respectfully request that you respond to the following questions:

- 1. Explain on what basis the EPA has concluded that its economic-impact analysis for the final Clean Water Rule determined that this rule is "appropriate and necessary?"
- 2. What economic-impact analysis, if any, did the EPA conduct in connection with the Clean Water Rule that took into account Arizona businesses and consumers in

particular?

3. Following the Supreme Court's ruling in *Michigan et al. v EPA*, do you believe EPA sufficiently calculated the rule's cost considering that the Small Business Administration's Office of Advocacy's requested that he EPA withdraw the rule because it "will have a direct and potentially costly impact on small business" and requested further review by the SBA? Please explain your answer.

Thank you for your attention to this request.

11

Sincerely,

John McCain

United States Senator